

EXHIBIT E

EXHIBIT 12

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Medical Properties Trust

FACSIMILE TRANSMITTAL SHEET

| | |
|----------------------------------|-------------------------------------|
| TO: | FROM: |
| Jay A. Yalowitz, General Counsel | Emmett McLean |
| FAX NUMBER: | DATE: |
| 615-234-2424 | January 30, 2009 |
| RE: | TOTAL NO. OF PAGES INCLUDING COVER: |
| Demand for Payment Letter | 13 |

☐ URGENT ☐ FOR REVIEW ☐ PLEASE COMMENT ☐ PLEASE REPLY ☐ ORIGINAL IN MAIL

NOTES/COMMENTS:

1000 URBAN CENTER DRIVE, SUITE 501
BIRMINGHAM, ALABAMA 35242
205-969-3755 / FAX 205-969-3756
WWW.MEDICALPROPERTIESTRUST.COM



Medical Properties Trust

January 30, 2009

VIA FACSIMILE (615) 234-3504
AND CERTIFIED MAIL/RETURN RECEIPT REQUESTED

DSI Holding Company, Inc.
511 Union Street, Suite 1800
Nashville, Tennessee 37219
Attn: Mr. Leif Murphy

Re: Demand for Payment

Dear Mr. Murphy:

Reference is made to (i) that certain Lease Guaranty dated as of August 15, 2007 (the "Guaranty") executed by DSI Holding Company, Inc. ("DSI") in favor of MPT of Bucks County, L.P. and its affiliates ("MPT") and (ii) that certain Lease Agreement dated as of September 16, 2005 between MPT, as lessor, and Bucks County Oncoplastic Institute, LLC, as lessee ("BCOI"), as amended (the "Lease"). Capitalized terms used and not otherwise defined herein shall have the meanings ascribed thereto in the Lease.

As you know, on June 19, 2008 we sent BCOI and DSI Facility Development, LLC ("DSI Development") a Notice of Default, a copy of which is attached hereto as Exhibit A, which enumerated certain Events of Default as of the date thereof. Since that time, additional Events of Default have occurred, including the failure to pay rent. Attached hereto as Exhibit B is a listing of all amounts due and payable under the Lease as a result of the Events of Default, excluding legal fees and other expenses, which amounts total Ten Million Nine Hundred Fifty-Four Thousand Seven Hundred Fifty-Nine and 68/100 Dollars (\$10,954,759.68).

Under Section 2 of the Guaranty, DSI is responsible for all of BCOI's obligations under the Lease (the "Lease Guaranty Obligation"). The Lease Guaranty Obligation is subject to a maximum of Five Million Dollars (\$5,000,000.00) which was reduced to Three Million Eight Hundred Thousand Dollars (\$3,800,000.00) as a result of DSI's "Operating Expense Contribution" pursuant to the terms of that certain Funding Agreement dated as of November 12, 2008. Accordingly, MPT hereby demands payment from DSI in an amount equal to Three Million Eight Hundred Thousand Dollars (\$3,800,000.00), representing the full amount owed by DSI with respect to the Lease Guaranty Obligation.

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1000 Urban Center Drive, Suite 501, Birmingham, Alabama 35242
205.969.3755, Fax 205.969.3756, www.medicalpropertiestrust.com

In addition, under Section 2 of the Guaranty, DSI is responsible for all cost overruns under Section 5.04 of the Funding Agreement (the "Cost Overrun Obligation"). MPT hereby demands from DSI full satisfaction of the Cost Overrun Obligation. Based upon current information, MPT believes the amount of cost overruns to be approximately Six Hundred Thousand Dollars (\$600,000.00). Please provide us with any additional information respecting any additional cost overruns since payment of such amounts is also DSI's responsibility.

Please make arrangements to pay these amounts in accordance with the terms of the Guaranty.

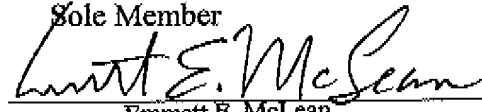
No delay by MPT in pursuing any of its other rights and remedies against DSI, BCOI and their affiliates under the Lease and other documents as a result of any Event of Default (whether known or unknown to MPT on the date hereof) shall be deemed a waiver of any such Event of Default or of any such rights or remedies, all of which shall remain in full force and effect and shall not be deemed to be waived, impaired, estopped, diminished, or prejudiced in any manner.

Sincerely,

MPT OF BUCKS COUNTY, L.P.

By: MPT of Bucks County, LLC
Its: General Partner

By: MPT Operating Partnership, L.P.
Its: Sole Member

By: 
Name: Emmett E. McLean
Its: Executive Vice President and COO

cc: Primary Obligor Notice:

Bucks County Oncoplastic Institute, LLC
c/o Diversified Specialty Institutes, Inc.
511 Union Street, Suite 1800
Nashville, TN 37219
Attn: Mr. Leif Murphy
Fax: (615) 234-3504

Bucks County Oncoplastic Institute, LLC
c/o DSI Hospitals, Inc.
511 Union Street, Suite 1800
Nashville, TN 37219
Attn: Jay A. Yalowitz, General Counsel
Fax: (615) 234-2424

DSI Facility Development, LLC
511 Union Street, Suite 1800
Nashville, TN 37219
Attn: Mr. Leif Murphy
Facsimile: (615) 234-3504

Latham & Watkins, LLP
555 11th Street, Suite 1000
Washington, D.C. 20004
Attn: Eric L. Bernthal
Fax: (202) 637-2201

Notice Creditors:

Siemens Financial Services, Inc.
170 Wood Avenue South
Iselin, New Jersey 08830
Attention: Mark Picillo
Fax: (732) 590-6648

Choate, Hall & Stewart LLP
Two International Place
Boston, Massachusetts 02110
Attention: Peter M. Palladino
Fax: (617) 248-4000

Bank of Tennessee
2525 West End Avenue Suite 1275
Nashville, TN 37203
Attn: Bruce Latimer, Senior Vice President
Facsimile: (615) 321-2693

Klehr, Harrison, Harvey Branzburg & Ellers, LLP
260 S. Broad Street
Philadelphia, PA 19102-5003
Attn: Denise M. Day, Esq.
Facsimile: (215) 568-6603

EXHIBIT A

Default Notice

[See Attachment.]



Medical Properties Trust

June 19, 2008

VIA FACSIMILE (615) 234-3504; (615) 259-0693

Bucks County Oncoplastic Institute, LLC
c/o Diversified Specialty Institutes, Inc.
511 Union Street, Suite 1800
Nashville, TN 37219
Attn: Jerome S. Tannenbaum, M.D.

DSI Facility Development, LLC
511 Union Street, Suite 1800
Nashville, TN 37219
Attn: Jerome S. Tannenbaum, M.D.

Re: Notice of Events of Default

Dear Dr. Tannenbaum:

Reference is made to (i) that certain Lease Agreement dated as of September 16, 2005 between MPT of Bucks County, L.P., as lessor ("MPT Bucks"), and Bucks County Oncoplastic Institute, LLC, as lessee ("BCOI"), as amended by that certain First Amendment to Lease Agreement dated as of August 15, 2007 (the "Lease"), (ii) that certain Promissory Note dated as of September 15, 2006, executed by BCOI in favor of MPT Operating Partnership, L.P. ("MPT OP") in an original principal amount of \$345,000.00 (the "Commitment Fee Note"), (iii) that certain Promissory Note dated as of September 15, 2006, executed by BCOI in favor of MPT Development Services, Inc. ("MPT Development," and together with MPT Bucks and MPT OP, "MPT") in an original principal amount of \$75,000.00 (the "Inspection Fee Note," and together with the Commitment Fee Note, the "Notes"), (iv) that certain Funding Agreement dated as of September 16, 2005 by and among BCOI, MPT and DSI Facility Development, LLC ("DSI"), as amended by that certain First Amendment to Funding Agreement dated as of August 15, 2007 (the "Funding Agreement"), and (v) that certain Subordination of Management Agreement dated as of June 7, 2007 (the "Subordination Agreement") by and among BCOI, MPT and DSI Hospitals, Inc. ("DSI Manager"). Capitalized terms used and not otherwise defined herein shall have the meanings ascribed thereto in the Lease.

As you are aware, MPT delivered to BCOI extension notices dated as of February 18, 2008 which extended BCOI's time for payment of Base Rent and Percentage Rent under the Lease

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(the "Rent Payments"), and interest payments under the Notes (the "Interest Payments"), for the month of February until February 29, 2008. BCOI failed to make the required Rent Payments and Interest Payments for February which constituted Events of Default under the Lease and the Notes. Thereafter, BCOI failed to make the required Rent Payments and Interest Payments for the months of March, April, May and June. These failures also constitute Events of Default under the Lease and the Notes.

The chart attached hereto as Exhibit A reflects the foregoing Events of Default and the amounts outstanding with respect thereto.

In addition, the actual costs of construction of the Facility exceeded the Total Funding Amount as established in the Development Budget (as each term is defined in the Funding Agreement). As of the date hereof, the total amount of said cost overruns is approximately \$3,000,000.00. In accordance with MPT's rights under the Funding Agreement, MPT hereby demands that BCOI and DSI deliver payment to MPT in an amount equal to said cost overruns within ten (10) days of receipt of this letter.

Further, in accordance with MPT's rights under the Subordination Agreement, from the date of the Events of Default, MPT is entitled to any amounts and fees paid by BCOI to DSI Manager under the management agreements related to the Facility. Please provide MPT an accounting of any such payments since March 1, 2008.

By copy of this letter, we are providing notice to DSI Holding Company, Inc., as guarantor of (i) BCOI's payment and performance obligations under the Lease and (ii) BCOI's and DSI's payment obligations related to the aforementioned cost overruns.

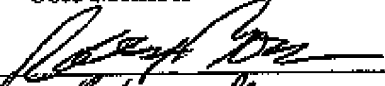
With respect to the aforementioned Events of Default, MPT reserves any and all other rights and remedies under the Lease and any other agreements or instruments executed in connection therewith, and MPT's failure, delay or refusal to pursue such other rights and remedies at this time does not constitute a waiver of any right or remedy available to MPT now or in the future.

Sincerely,

MPT OF BUCKS COUNTY, L.P.

By: MPT of Bucks County, LLC
Its: General Partner

By: MPT Operating Partnership, L.P.
Its: Sole Member

By: 
Name: Robert Moss
Its: Associate Counsel

MPT OPERATING PARTNERSHIP, L.P.

By: Robert Moss
Name: Robert Moss
Its: Associate Counsel

MPT DEVELOPMENT SERVICES, INC.

By: Robert Moss
Name: Robert Moss
Its: Associate Counsel

CC: Bucks County Oncoplastic Institute, LLC
c/o DSI Hospitals, Inc.
511 Union Street, Suite 1800
Nashville, TN 37219
Attn: Jay A. Yalowitz, General Counsel
Fax: (615) 234-2424

DSI Hospitals, Inc.
511 Union Street, Suite 1800
Nashville, TN 37219
Attn: Jay A. Yalowitz, General Counsel
Fax: (615) 234-2424

Latham & Watkins, LLP
555 11th Street, Suite 1000
Washington, D.C. 20004
Attn: Eric L. Bernthal
Fax: (202) 637-2201

Notice Guarantor:

DSI Holding Company, Inc.
511 Union Street, Suite 1800
Nashville, Tennessee
Attn: Jerome S. Tannenbaum, M.D.
Fax: (615) 234-3504

Notice Creditors:

Siemens Financial Services, Inc.
170 Wood Avenue South
Iselin, New Jersey 08830
Attention: Mark Picillo
Fax: (732) 590-6648

Choate, Hall & Stewart LLP
Two International Place
Boston, Massachusetts 02110
Attention: Peter M. Palladino
Fax: (617) 248-4000

Exhibit A

Amounts Outstanding

| Item Due | Jan. 2008 | Feb. 2008 | March 2008 | April 2008 | May 2008 | June 2008 | Amount Due |
|----------------------------|-----------|------------|------------|------------|------------|------------|-------------|
| Base Rent | \$ 17,714 | \$ 481,787 | \$ 481,497 | \$ 481,208 | \$ 480,918 | \$ 480,628 | \$2,423,752 |
| Commitment Fee Interest | \$ 3,090 | \$ 3,090 | \$ 3,090 | \$ 3,090 | \$ 3,090 | \$ 3,090 | \$ 18,540 |
| Inspection Fee Interest | \$ 671 | \$ 671 | \$ 671 | \$ 671 | \$ 671 | \$ 671 | \$ 4,026 |
| Cap. Reserve | \$ 61,500 | | | | | | \$ 61,500 |
| Inspection Fee | \$ 7,879 | | | | | | \$ 7,879 |
| TOTAL DUE | | | | | | | \$2,515,697 |

EXHIBIT B

Lease Obligations

[See Attachment.]

Exhibit B**Rent Balances Outstanding:**

| | |
|--------------------------|---------------------|
| January Rent Escalations | 17,714.98 |
| February Rents | 481,787.53 |
| March Rents | 481,497.84 |
| April Rents | 481,208.15 |
| May Rents | 480,918.46 |
| June Rents | 480,628.77 |
| July Rents | 480,339.08 |
| August Rents | 480,049.39 |
| September Rents | 479,759.69 |
| October Rents | 479,470.01 |
| November Rents | 479,180.32 |
| December Rents | 478,890.64 |
| January Rents | 482,827.19 |
| | <u>5,784,272.05</u> |

Construction Period Rent Receivable:

| | |
|-------|---------------------|
| Total | <u>4,938,830.27</u> |
|-------|---------------------|

Percentage Rent Balances Outstanding:

| | |
|-----------|-------------------|
| January | - |
| February | 17,786.25 |
| March | 11,788.05 |
| April | 35,904.58 |
| May | 18,498.50 |
| June | 38,718.19 |
| July | 5,730.50 |
| August | 13,516.07 |
| September | 15,881.04 |
| October | - |
| November | - |
| December | - |
| January | - |
| | <u>157,823.17</u> |

Late Charges Outstanding:

| | |
|--------------------------|-------------------|
| January Rent Escalations | 779.46 |
| February Rents | 20,260.49 |
| March Rents | 18,416.01 |
| April Rents | 17,524.38 |
| May Rents | 15,259.96 |
| June Rents | 14,080.07 |
| July Rents | 11,557.65 |
| August Rents | 10,035.83 |
| September Rents | 8,370.82 |
| October Rents | 6,499.48 |
| November Rents | 4,845.05 |
| December Rents | 3,245.81 |
| January Rents | 1,609.42 |
| | <u>132,484.44</u> |

Capital Replacement Deposit Outstanding:

| | |
|-------|-------------------|
| Total | <u>124,537.50</u> |
|-------|-------------------|

Inspection Fee Outstanding:

| | |
|-------|------------------|
| Total | <u>34,562.25</u> |
|-------|------------------|

Inspection Fee Loan:

| | |
|-------|------------------|
| Total | <u>75,000.00</u> |
|-------|------------------|

Total Outstanding 11,247,509.68

| | |
|-----------------------------------|----------------------|
| Total Expenses | <u>292,750.00</u> |
| Total Outstanding to Be Collected | <u>10,954,759.68</u> |